

Highmark Companies
Highmark Companies 401(k) Profit Sharing Plan and Trust
Annual Statement of Disclosures

General Plan Information

Excessive Trading.

While the plan permits you to change the investment of your balance each day, it is not designed or intended to be a brokerage account or trading account. Trading in and out of funds on a daily basis can disrupt appropriate management of the plan's investment options and causes increased transactional costs and losses to participants who do not engage in such activity. In the event that a participant engages in excessive trading, the plan may restrict the number of transactions that the participant may engage in. Alternatively, the plan or the manager of the investment option may impose a fee for such trading. Please see the Investment Comparative Chart for details on the excessive trading rules for each of the plan's investment options.

Voting and Tender Rights.

You do not have the right to exercise voting, tender, and similar rights related to the plan's investment options. These rights will be exercised by the Plan Sponsor.

Your Right to Direct Investments.

The plan offers a menu of investment options that allow you to create a diversified portfolio that meets your individual needs. You are able to elect how your account balance and future contributions are invested among the plan's investment options. This election can be made through the plan's website at www.yourplanaccess.net/nwps or through the voice response system at 877.410.9984, Provider ID 6789.

Administrative Expenses

Estimated Plan Expenses Rate.

It is estimated that your account will be charged 0.50% to pay the Plan Expenses. This estimate is based on the expected charges that will be incurred by the plan and the amount of these charges that have been historically paid by the Plan Sponsor or from a portion of the Total Annual Operating Expenses of the plan's investment options.

Plan Fees Charged Against Assets.

The plan incurs expenses and fees for services such as investment advisory, trustee, custodial, administration, auditing, recordkeeping, government reporting, employee communications, bonding and other insurance, travel, mail, courier communications, and printing and other charges described in the prospectuses for the investment funds. These fees are paid directly to the service providers. The Plan Sponsor may choose to pay some of these fees, but is under no obligation to do so. These fees are charged to all participants with a balance in the plan based on their proportional share of the plan's assets. Some fees may be paid from a portion of the Total Annual Operating Expenses of the investment options shown on the Investment Comparative Chart.

Individual Expenses

Distribution Fee.

This fee is charged to any participant that requests a distribution from the plan. The fee is \$75.00.

Loan Initiation.

This fee is charged to any participant that elects to take a loan from the plan. The fee is \$160.00.

QDRO Fee.

This fee is charged to any participant whose account is subject to a QDRO. The fee is \$150.00.

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Investment Comparative Chart

This document includes important information to help you compare the investment options under your retirement plan. For more information regarding contents of this notice please contact your Plan Administrator, Denise Byrd, at (919) 779-3055 or by mail at 1255 Crescent Green Suite 120, Cary, NC 27518.

Additional investment information including more performance information is available at the website addresses shown below. To request and obtain paper copies of the information available on those websites please contact the Plan Administrator.

Keep in mind that the cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings, but is only one of many factors to consider when you decide to invest in an option. Visit the Department of Labor's website http://www.dol.gov/ebsa/publications/401k_employee.html for an example of the long-term effect of fees and expenses.

Performance Information

The table below shows how plan investment alternatives have performed over time and allows you to compare them with an appropriate benchmark for the same time periods. Past performance does not guarantee how the investment option will perform in the future. Your investment in these options could lose money. Information about an option's principal risks is available on the Website(s). A glossary of terms used in this notice may be found at <http://www.nwp401k.com/glossary-of-investment-related-terms/>.

Plan Investment (Inception Date) Benchmark Fund Information Link	Avg. Annual Total Returns As of 09/30/2019			Annual Gross/Net Expense Ratio		Trade Restriction
	1yr.	5yr.	10yr./Life	As a %	Per \$1,000	
Galliard Retirement Income Fund CI 35 (06/26/2007) <i>Morningstar Cash TR USD</i> http://www.schwabplan.com/FundDetail/WGI35.pdf	2.13 % 2.29 %	1.75 % 0.94 %	2.18 % 0.50 %	0.66%/0.31% N/A	\$6.60/\$3.10 N/A	N/A
PIMCO Income Fund Instl (PIMIX) (03/30/2007) <i>Morningstar US Core Bd TR USD</i> http://www.pimco.com	6.16 % 10.24 %	5.11 % 3.47 %	8.87 % 3.80 %	1.05%/1.05% N/A	\$10.50/\$10.50 N/A	N/A
American Funds Moderate Gr & Inc R-6 (RBAGX) (05/18/2012) <i>Morningstar Moderate Target Risk TR USD</i> http://www.americanfunds.com	4.87 % 5.40 %	6.69 % 5.90 %	*9.15 % 3.07 %	0.39%/0.39% N/A	\$3.90/\$3.90 N/A	1
Vanguard Value Index Adm (VVIAX) (11/13/2000) <i>Morningstar US Large Value TR USD</i> http://www.vanguard.com	3.54 % 6.12 %	9.33 % 8.76 %	12.08 % 11.08 %	0.05%/0.05% N/A	\$0.50/\$0.50 N/A	2
American Funds Fundamental Inv R6 (RFNGX) (05/01/2009) <i>Morningstar US Large Cap TR USD</i> http://www.americanfunds.com	0.96 % 4.23 %	10.00 % 11.05 %	12.22 % 13.20 %	0.30%/0.30% N/A	\$3.00/\$3.00 N/A	1
Vanguard 500 Index Adm (VFIAX) (11/13/2000) <i>Morningstar US Large Cap TR USD</i> http://www.vanguard.com	4.22 % 4.23 %	10.80 % 11.05 %	13.20 % 13.20 %	0.04%/0.04% N/A	\$0.40/\$0.40 N/A	2
American Funds Growth Fund R6 (RGAGX) (05/01/2009) <i>Morningstar US Large Growth TR USD</i> http://www.americanfunds.com	-1.93 % 3.89 %	10.96 % 13.39 %	12.75 % 14.98 %	0.33%/0.33% N/A	\$3.30/\$3.30 N/A	1
American Century Mid Cap Value R6 (AMDVX) (07/26/2013) <i>Morningstar US Mid Value TR USD</i> http://www.americancentury.com	3.07 % 2.09 %	8.99 % 8.79 %	12.51 % 12.86 %	0.63%/0.63% N/A	\$6.30/\$6.30 N/A	N/A
JPMorgan Mid Cap Value R6 (JMVYX) (09/09/2016) <i>Morningstar US Mid Value TR USD</i> http://www.jpmorganfunds.com	1.88 % 2.09 %	7.78 % 8.79 %	12.63 % 12.86 %	0.74%/0.73% N/A	\$7.40/\$7.30 N/A	3
T Rowe Price Diversified Mid-Cap Growth (PRDMX) (12/31/2003) <i>Morningstar US Mid Core TR USD</i> http://www.troweprice.com	8.72 % 6.18 %	12.46 % 9.29 %	14.29 % 13.81 %	0.83%/0.83% N/A	\$8.30/\$8.30 N/A	1
American Funds EuroPacific Gr R6 (REGX) (05/01/2009) <i>Morningstar Global Markets ex-US GR USD</i> http://www.americanfunds.com	1.14 % -1.01 %	5.01 % 4.19 %	6.06 % 5.60 %	0.49%/0.49% N/A	\$4.90/\$4.90 N/A	1

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Plan Investment (Inception Date) Benchmark Fund Information Link	Avg. Annual Total Returns			Annual		Trade Restriction
	As of 09/30/2019			Gross/Net Expense Ratio		
	1yr.	5yr.	10yr./Life	As a %	Per \$1,000	
Vanguard Small Cap Value Index Adm (VSIAX) (09/27/2011) Morningstar US Small Value TR USD http://www.vanguard.com	-5.48 %	7.60 %	11.53 %	0.07%/0.07%	\$0.70/\$0.70	2
JPMorgan US Small Company R6 (JUSMX) (11/01/2011) Morningstar US Small Cap TR USD http://www.jpmorganfunds.com	-9.66 %	6.87 %	11.57 %	0.73%/0.73%	\$7.30/\$7.30	4
Wells Fargo Small Co Growth I (WSCGX) (03/31/2008) Morningstar US Small Growth TR USD https://www.wellsfargofunds.com/	-10.24 %	7.96 %	13.16 %	0.99%/0.95%	\$9.90/\$9.50	1
Invesco Oppenheimer Developing Markets Y (ODVYX) (09/07/2005) Morningstar Emerging Markets GR USD http://www.oppenheimerfunds.com	2.50 %	2.64 %	5.79 %	1.01%/1.01%	\$10.10/\$10.10	N/A
T. Rowe Price Retirement 2015 (TRRGX) (02/27/2004) Morningstar Lifetime 2015 TR USD http://www.troweprice.com	5.37 %	5.67 %	7.83 %	0.56%/0.56%	\$5.60/\$5.60	1
T. Rowe Price Retirement 2020 (TRRBX) (09/30/2002) Morningstar Lifetime 2020 TR USD http://www.troweprice.com	5.06 %	6.27 %	8.56 %	0.59%/0.59%	\$5.90/\$5.90	1
T. Rowe Price Retirement 2025 (TRRHX) (02/27/2004) Morningstar Lifetime 2025 TR USD http://www.troweprice.com	4.74 %	6.73 %	9.13 %	0.63%/0.63%	\$6.30/\$6.30	1
T. Rowe Price Retirement 2030 (TRRCX) (09/30/2002) Morningstar Lifetime 2030 TR USD http://www.troweprice.com	4.37 %	7.15 %	9.66 %	0.66%/0.66%	\$6.60/\$6.60	1
T. Rowe Price Retirement 2035 (TRRJX) (02/27/2004) Morningstar Lifetime 2035 TR USD http://www.troweprice.com	4.00 %	7.43 %	9.99 %	0.68%/0.68%	\$6.80/\$6.80	1
T. Rowe Price Retirement 2040 (TRRDY) (09/30/2002) Morningstar Lifetime 2040 TR USD http://www.troweprice.com	3.73 %	7.66 %	10.21 %	0.70%/0.70%	\$7.00/\$7.00	1
T. Rowe Price Retirement 2045 (TRRKX) (05/31/2005) Morningstar Lifetime 2045 TR USD http://www.troweprice.com	3.52 %	7.73 %	10.25 %	0.71%/0.71%	\$7.10/\$7.10	1
T. Rowe Price Retirement 2050 (TRRMX) (12/29/2006) Morningstar Lifetime 2050 TR USD http://www.troweprice.com	3.48 %	7.73 %	10.24 %	0.71%/0.71%	\$7.10/\$7.10	1
T. Rowe Price Retirement 2055 (TRRNK) (12/29/2006) Morningstar Lifetime 2055 TR USD http://www.troweprice.com	3.47 %	7.72 %	10.24 %	0.72%/0.72%	\$7.20/\$7.20	1
T. Rowe Price Retirement 2060 (TRRLX) (06/23/2014) Morningstar Lifetime 2060 TR USD http://www.troweprice.com	3.44 %	7.71 %	*6.95 %	0.72%/0.72%	\$7.20/\$7.20	1
Vanguard Interm-Term Bond Index Adm (VBILX) (11/12/2001) Morningstar US Core Bd TR USD http://www.vanguard.com	12.43 %	3.93 %	4.78 %	0.07%/0.07%	\$0.70/\$0.70	2

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Fund Note and Restriction Descriptions:

*: Performance provided is Life of Plan Investment as the Plan Investment has been in existence for less than 10 years.

1: Market Timing Restriction. A sell transaction of \$5,000 or greater will result in a block from making a purchase transaction of \$5,000 or greater for the next 30 days.

2: Market Timing Restriction. A sell transaction of \$1 or greater will result in a block from making a purchase transaction of \$1 or greater for the next 30 days.

3: Market Timing Restriction. Allows 1 sell transaction in the amount of \$1 or greater followed by 1 purchase transaction of \$1 or greater within 60 days of the sell transaction. Any subsequent sell within the 60 days of the initial sell transaction will trigger a block on any purchase back into the fund for 90 days.

4: Market Timing Restriction. Allowed 1 sell transaction in the amount of \$1 or greater followed by 1 purchase transaction of \$1 within 60 days of the sell transaction. The second round trip in the same 60 day period will be allowed but cause a subsequent purchase block for the next 90 days.

NOTICE TO PARTICIPANTS OF THE Highmark Companies 401(k) Profit Sharing Plan and Trust

Plan Sponsor:	Highmark Companies
Plan Name:	Highmark Companies 401(k) Profit Sharing Plan and Trust
Notice Date:	04/22/2020

The Plan Sponsor has elected to make some changes to the mutual fund choices available for the plan. The Plan Sponsor has determined that the new investment options better meet the plan's investment objectives. Four existing funds will be removed from the options available to you and replaced by three new funds and one fund that is already in the plan. An outline of the deletions and additions, along with important fund information and the timing of the changes, is shown below:

The following existing funds will be replaced by the corresponding replacement funds:

<u>Existing Funds</u>		<u>Replacement Fund</u>	
<u>Ticker</u>	<u>Fund Name</u>	<u>Ticker</u>	<u>Fund Name</u>
JUSMX	JPMorgan US Small Company R6	GCSUX	Goldman Sachs Small Cap Eq Insights R6
RFNGX	American Funds Fundamental Inv R6	VFIAX	Vanguard 500 Index Adm (existing fund)
RGAGX	American Funds Growth Fund R6	MFEKX	MFS Growth R6
WSCGX	Wells Fargo Small Co Growth I	JGSMX	JPMorgan Small Cap Growth R6

FUND INFORMATION

Limited historical performance data and expense ratios are listed below. Comprehensive fund information, including fund objectives and risk profiles, is available in the fund prospectus and should be considered before making any investment decisions. **You may view each fund prospectus online by visiting www.yourplanaccess.net/nwps.**

Existing Funds to be replaced:

Ticker	Return As-Of	Fund Name <i>(Comparative Benchmark)</i>	YTD Return	Annualized Returns			Inception Date
				3 Year	5 Year	10 Year	
JUSMX	03/31/2020	JPMorgan US Small Company R6	-30.61%	-6.61%	-1.77%	6.98%	11/01/2011
-	03/31/2020	<i>Morningstar US Small Cap TR USD</i>	-31.60%	-5.48%	-0.92%	6.92%	-
RFNGX	03/31/2020	American Funds Fundamental Inv R6	-20.84%	3.25%	6.21%	9.65%	05/01/2009
-	03/31/2020	<i>Morningstar US Large Cap TR USD</i>	-17.86%	6.46%	7.57%	10.85%	-
RGAGX	03/31/2020	American Funds Growth Fund R6	-15.04%	7.54%	8.38%	11.01%	05/01/2009
-	03/31/2020	<i>Morningstar US Large Growth TR USD</i>	-11.51%	13.55%	10.81%	13.31%	-
WSCGX	03/31/2020	Wells Fargo Small Co Growth I	-27.87%	-0.35%	0.45%	9.50%	03/31/2008
-	03/31/2020	<i>Morningstar US Small Growth TR USD</i>	-21.44%	3.42%	3.71%	9.78%	-

Replacement Funds:

Ticker	Return As-Of	Fund Name <i>(Comparative Benchmark)</i>	YTD Return	Annualized Returns*			Inception Date
				3 Year	5 Year	10 Year	
GCSUX	03/31/2020	Goldman Sachs Small Cap Eq Insights R6	-32.99%	-5.14%	-0.61%	7.06%	07/31/2015
-	03/31/2020	<i>Morningstar US Small Cap TR USD</i>	-31.60%	-5.48%	-0.92%	6.92%	-
JGSMX	03/31/2020	JPMorgan Small Cap Growth R6	-21.25%	9.61%	8.12%	12.11%	11/30/2010
-	03/31/2020	<i>Morningstar US Small Growth TR USD</i>	-21.44%	3.42%	3.71%	9.78%	-
MFEKX	03/31/2020	MFS Growth R6	-11.75%	14.24%	11.74%	13.10%	08/26/2011
-	03/31/2020	<i>Morningstar US Large Growth TR USD</i>	-11.51%	13.55%	10.81%	13.31%	-
VFIAX	03/31/2020	Vanguard 500 Index Adm (existing fund)	-19.61%	5.06%	6.69%	10.49%	11/13/2000
-	03/31/2020	<i>Morningstar US Large Cap TR USD</i>	-17.86%	6.46%	7.57%	10.85%	-

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For a detailed explanation of the mutual funds and their return information please consult your Financial Advisor. Additional performance history is available from the mutual funds companies. An investment prospectus can be obtained from www.yourplanaccess.net/nwps or directly from the mutual fund company and should be reviewed prior to making investment changes.

ADDITIONAL FUND INFORMATION

Please review the following information regarding expenses and trading restrictions. When reviewing this information, please keep in mind that the cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings, but is only one of

the many factors to consider when you decide to invest. Visit the Department of Labor's website

at http://www.dol.gov/ebsa/publications/401k_employee.html for an example of the long-term effect of fees and expenses.

Investment Name (Ticker)	Notes	Annual Gross/Net Expense Ratio as of 03/31/2020	
		As a %	Per \$1,000
Goldman Sachs Small Cap Eq Insights R6 (GCSUX) https://www.morningstar.com/funds/XNAS/GCSUX/quote.html	17	0.93% / 0.83%	\$ 9.30 / \$ 8.30
JPMorgan Small Cap Growth R6 (JGSMX) https://www.morningstar.com/funds/XNAS/JGSMX/quote.html	14	0.76% / 0.74%	\$ 7.60 / \$ 7.40
MFS Growth R6 (MFEKX) https://www.morningstar.com/funds/XNAS/MFEKX/quote.html	9	0.57% / 0.57%	\$ 5.70 / \$ 5.70
Vanguard 500 Index Adm (VFIAX) - *existing fund* https://www.morningstar.com/funds/XNAS/VFIAX/quote.html	1	0.04% / 0.04%	\$ 0.40 / \$ 0.40

Notes:

1 - Market Timing Restriction. A sell transaction of \$1 or greater will result in a block from making a purchase transaction of \$1 or greater for the next 30 days.

9 - Market Timing Restriction. Allowed 1 round trip of 1 sell transaction in the amount of \$15,000 or greater followed by a purchase transaction of \$15,000 within 90 days of the sell transaction. Any additional sell transaction of \$15,000 or greater followed by a purchase transaction within the same 90 day period will have the purchase transaction blocked.

14 - Market Timing Restriction. Allowed 1 sell transaction in the amount of \$1 or greater followed by 1 purchase transaction of \$1 within 60 days of the sell transaction. The second round trip in the same 60 day period will be allowed but cause a subsequent purchase block for the next 90 days.

17 - Market Timing Restriction. Allowed 1 sell transaction in the amount of \$1 or greater followed by 1 purchase transaction of \$1 within 90 days of the sell transaction. The second round trip in the same 90 day period will be allowed but cause a subsequent purchase block for the next 365 days.

Conversion Process:

You are not required to take any action. If you are currently invested in these funds the change will occur automatically. The assets you have invested in the existing fund will be liquidated on or about 06/03/2020 and invested into the corresponding replacement fund. In addition, any future contributions you selected to be invested in the above referenced fund will be invested in the replacement. **If you do not want to have these changes automatically take place you must reallocate your funds and /or future contributions via the Voice Response System (877.410.9984 Provider ID# 6789) or the website (www.yourplanaccess.net/nwps).**

** On rare occasions, these dates may be subject to extension due to changes or delays encountered relating to the new account setup.

Investment Questions:

If you have investment specific questions, please contact the plan's financial advisor, John Gansman at 336-297-2800 with any questions that you may have.